

Alaska Health Care Commission

Meeting Discussion Guide

August 14-15, 2014

Meeting Notes in Blue



Welcome & Introductions

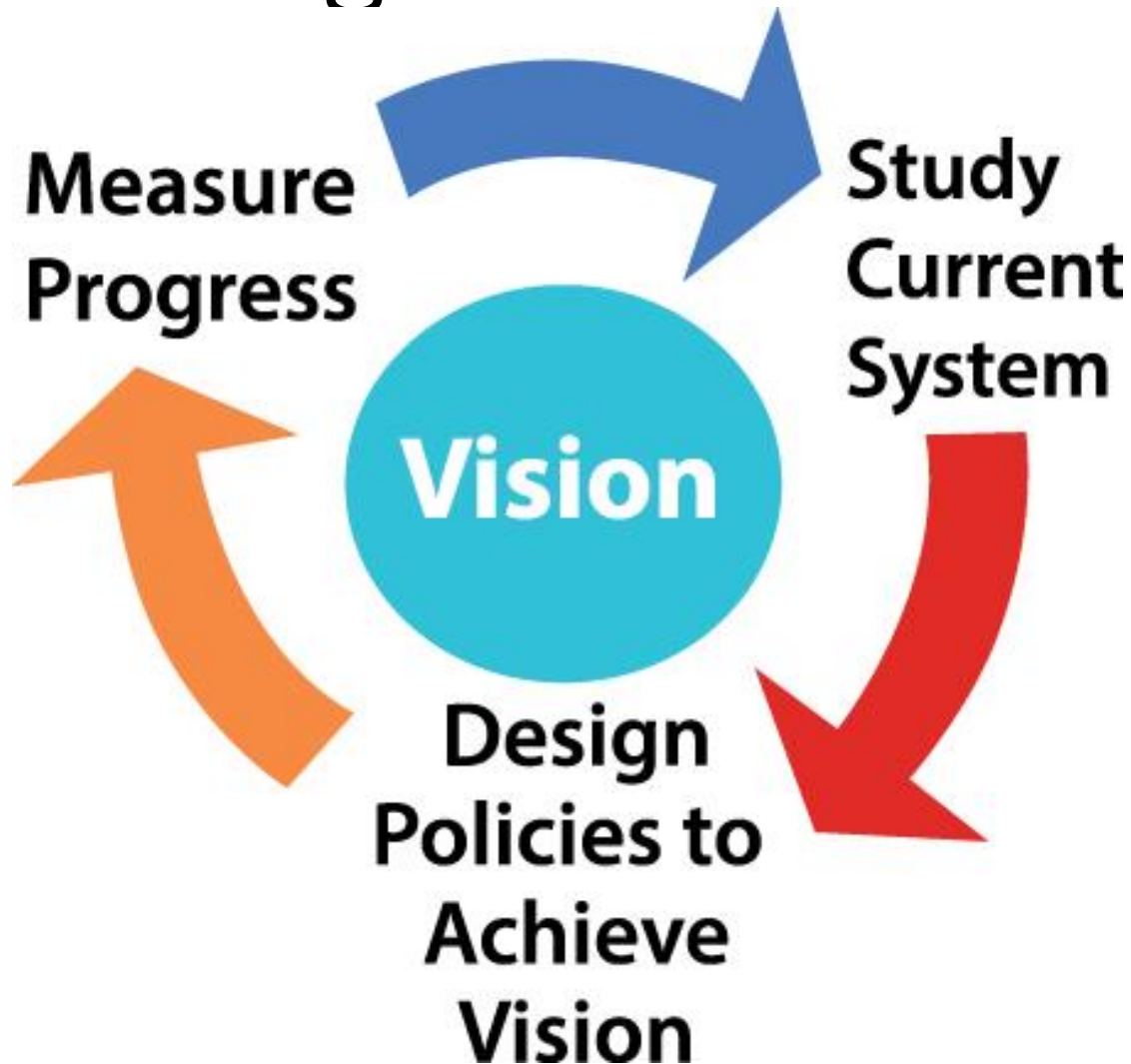
New Member: Susan Yeager, Director, Alaska VA Healthcare System

Commission Status

Process, Progress & Next Steps



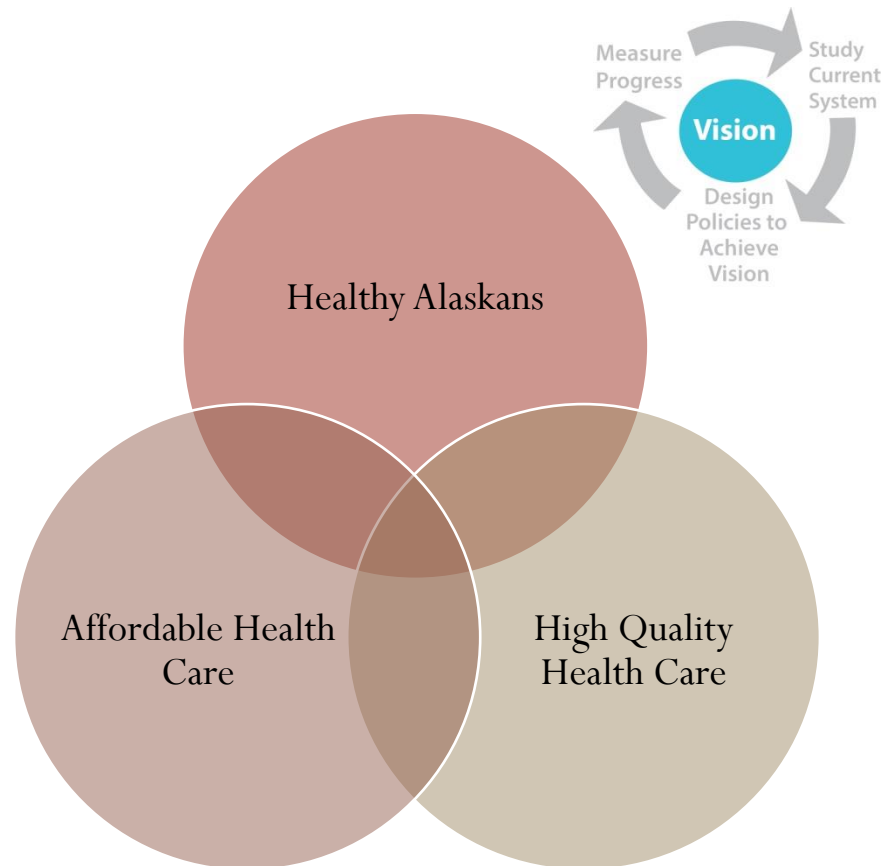
Planning Process





Vision

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality most affordable health care.

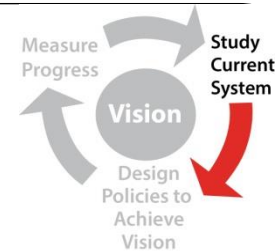


We will know we attained this vision when, compared to the other 49 states, Alaskans have:

1. The highest life expectancy (currently 29th)
2. The highest percentage population with access to primary care (27th)
3. The lowest per capita health care spending (49th)



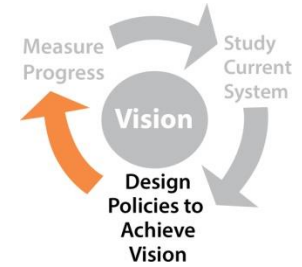
Commission Studies of Alaska's Current Health Care System



Study	Consultants	Annual Report
Description of health care system structure & financing	AK DHSS Staff	2009
Discussion of current health care system challenges	AK DHSS Staff	2009
Overview of Affordable Care Act	AK DHSS Staff	2010
Impact of Affordable Care Act on Alaska	ISER/MAFA	2010
Economic analysis of health care spending and cost drivers	ISER/MAFA	2011
Actuarial analysis of physician, hospital, and durable medical equipment prices compared to other states and between payers; cost drivers of price differentials (3 reports)	Milliman, Inc.	2011
Actuarial analysis of prescription drug prices compared to other states and between payers	Milliman, Inc.	2012
Impact of malpractice reforms enacted to-date	Expert Witnesses	2012
Government regulation of the health care industry	AK DHSS Staff	2012
Business use case analysis of an All-Payer Claims Database	Freedman Healthcare	2013



Core Strategies



- I. Ensure the best available evidence is used for making decisions
- II. Increase price and quality transparency
- III. Pay for value
- IV. Engage employers to improve health plans and employee wellness
- V. Enhance quality and efficiency of care on the front-end
- VI. Increase dignity and quality of care for seriously and terminally ill patients
- VII. Focus on prevention
- VIII. Build the foundation of a sustainable health care system



Measuring Progress



I. Monitor Implementation of Recommendations

II. Measure Progress Towards Vision Attainment

We will know we attained this vision when, compared to the other 49 states, Alaskans have:

- 1. The highest life expectancy (currently 29th)*
- 2. The highest percentage population with access to primary care (27th)*
- 3. The lowest per capita health care spending (49th)*

2014 Transition Year

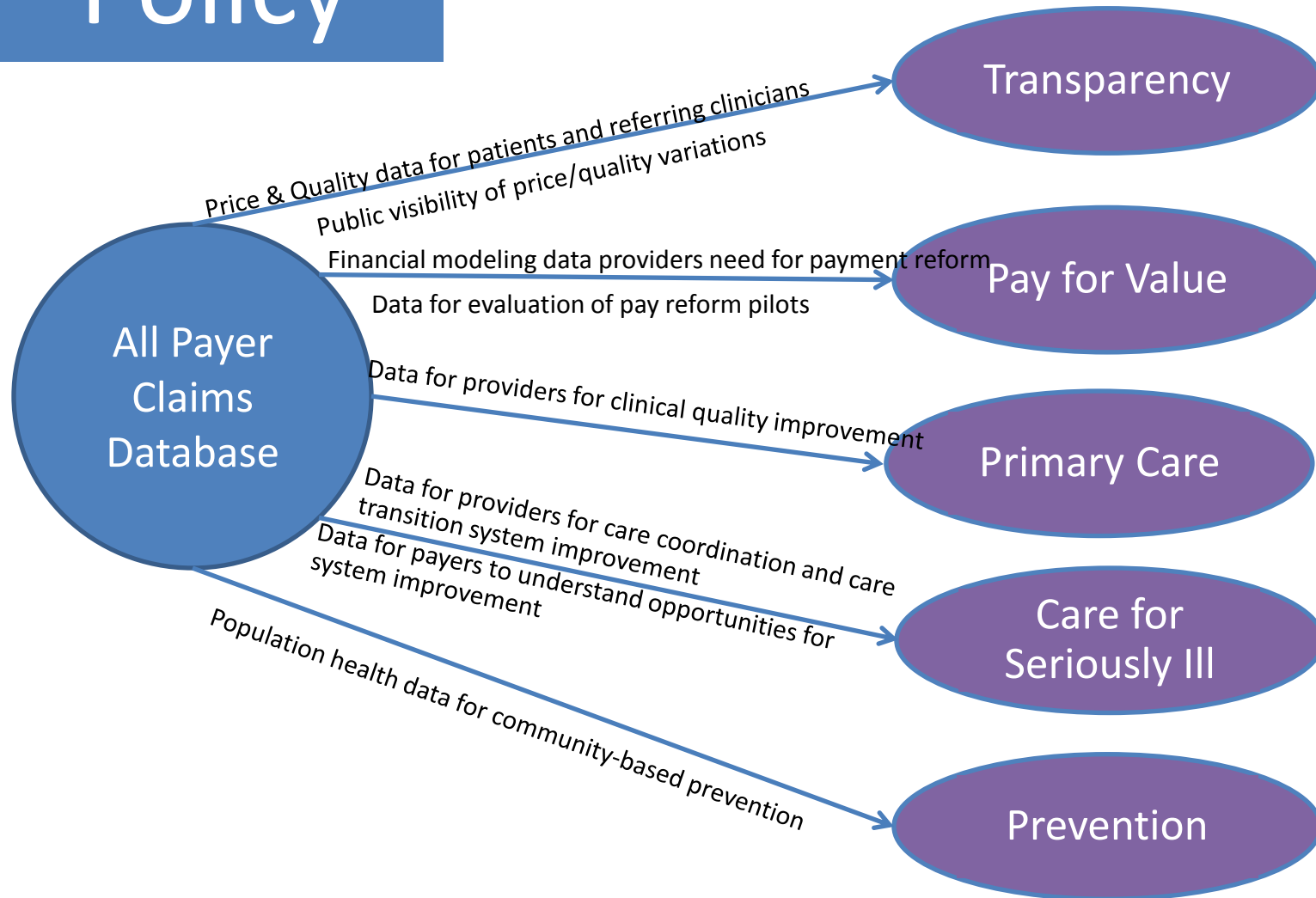
- IF we hadn't been extended:
 - June would have been our last meeting
 - Barb & I would have spent the rest of this fiscal year wrapping up
 - Administrative loose-ends
 - Working with DHSS to Complete the State Agency Implementation Plan
- BUT we were extended, so we need to:
 - Understand past process and roles
 - Understand what legislative endorsement of our work meant; and, implications and expectations for next three years
 - Set the stage for creating and adding new value (not duplicating prior success)
 - State Agency Implementation Plan completion slated for CY 2015

2014 Transition Year

- Defining new role and approach started in March meeting
- BUT, June meeting made it clear that we need a more clearly defined process

Policy

Strategies



2014 Transition Year

- SO, in October we're going to have a half-day facilitated (by a consultant) decision-making work session at which we will:
 - Review the Commission's Process & Progress to-date
 - Discuss the Commission's 2011-2013 Role
 - Discuss why the Legislature extended the Commission
 - Discuss Legislative and Governor's Expectations for 2015-2017
 - Prioritize the Commission's Policy Recommendations by "Importance" and "Impactability"
 - Draft the Commission's CY 2015 Agenda for public comment
- NOTE: by October we will have 4 recent/new members
 - Becky (ASHNHA seat) and Susan (VA Health System seat)
 - Jeff (Health Insurer) and Val's (Tribal Health System) seats should be filled

Solution-Focused Approach

Central Challenge

Transform Alaska's health care system so that by 2025 Alaskans are the healthiest people in the nation and have access to the highest quality, most affordable health care

Blue shaded policy recommendations require legislation

Green hatch or font = implemented recommendation

Strategies

II. Increase Transparency

1. Transparency Legislation

2. Hospital Discharge Database

3. All-Payer Claims Database (APCD)

III. Pay for Value

1, 2. Phased Approach to Payment Reform Start with PCMH

3. Support Payment Reform with Data (APCD)

4. SOA-led Multi-Payer Collaborative

5. Regulate Dispensing Clinician Practices

IV. Engage/Support Employers

1. Transparency Legislation & 1a. All-Payer Claims Database

2. Modernize Insurance Rules

3. SOA Employee Health Management Program

4. Reform Workers Compensation Laws

V. Strengthen Front-End Care

1-4, 6. Promote/Support PatientCentric Primary Care

5. Pilot PCMH

7, 8. Improve Trauma System

6. Control Opioid Abuse

VI. Improve Care for Seriously & Terminally Ill

1, 2, 3. Educate Public & Clinicians

4. POLST/MOST Law

5. Advance Directives Registry

6. Improve Palliative Care & Hospice Access

Policy Recommendations

Cross-Cutting Strategies

I. Ensure the best available evidence is used for making decisions (Incorporate EBM in pay/benefit design & provide tools; EBM Training)

VII. Focus on Prevention (Obesity Prevention; Immunizations; Behavioral Health Integration; Track Healthy Alaskans 2020?)

VIII. Foundation: Strengthen the Health Information Infrastructure (PH Data Access; Facility Reporting; APCD; HIT [HIE, EHR, Telehealth])

Solution-Focused Approach

Cross-Cutting Strategies & Policy Recommendations

Blue shaded policy
recommendations
require legislation

Green hatch or font
= implemented
recommendation

I. Ensure the best available evidence is used for making decisions

1. a,d,e. Incorporate
EBM in Pay &
Benefit Design and
provide decision-
support tools

1. b, c, 2. Provide
EBM Training &
Education

VII. Focus on Prevention

1. Support
Prevention (*Track
Healthy Alaskans
2020?*)

2. Obesity
Prevention

3. Immunization
Program

4. Behavioral &
Primary Care
Integration; BH
Screening

VIII. Foundation: Strengthen the Health Information Infrastructure

2. HIT, HIE & EHR

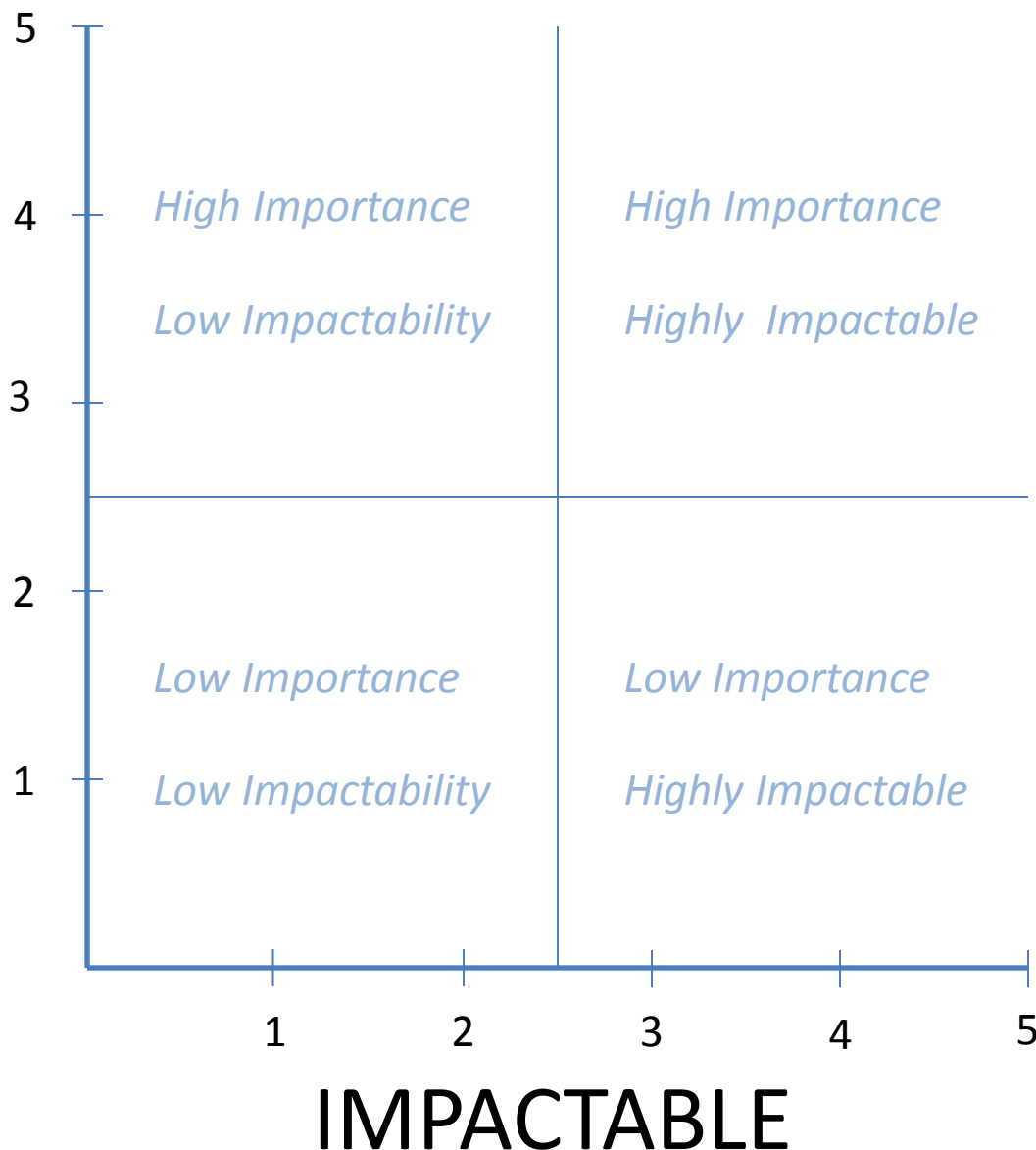
3. HIT: Telehealth

4a. Public Health
Data Access

4b. Hospital
Discharge Database

4c. All-Payer Claims
Database (APCD)

IMPORTANT



IMPORTANT = What is most likely to move the health care system towards the Commission's Vision?

IMPACTABLE = What is most likely to be successfully implemented because of facilitation by the Commission (i.e., on what will Commission facilitation have the greatest impact)?

2014 Transition Year

- Homework for October:
 - Review Deb's diagram (the "Strategic Map") for accuracy/completeness/fairness, and e-mail comments by September 5 *Refer to numbered listing of complete recommendations in the "Core Strategies & Policy Recommendations" document, and also to the newly compiled "Findings & Recommendations" for pertinent Findings statements (i.e., problem statements).*
 - Review list of policy recommendations and assign preliminary Importance and Impactability ratings for each by Oct 2
 - Prepare a 3-minute speech on your top 3 most important and impactable policies the Commission should facilitate during 2015 to pitch your fellow Commissioners on Oct 2

2014 Transition Year

- Note that in the meantime we're still facilitating Commission policy recommendations, for example:
 1. APCD Legislative Elements Policy Paper (2014)
 2. Alaska HR Leadership Network request for description of policy recommendations that require legislation to implement ("legislative levers for improving health care system") (2014)
 3. Medicaid Reform Advisory Group – we can provide a suggested roadmap for them based on current Commission recommendations and using the Commission's framework (2014)
 4. State Agency Action Plan for Implementing Commission Recommendations (2015)

Draft Fraud & Abuse Findings and Recommendations

Fraud & Abuse Findings

- **Draft Findings From March & June 2014 Commission Meetings**

1. Fraud and abuse prevention and investigation are important business practices and should be supported, but will not reform the health care system and will not address the major cost challenges. Realignment of fee structures, creation of more even negotiating fields, and evidence-based practice and coverage are the strategies required for reforming the system to address the major cost challenges. *OK*
2. CMS estimates 3-10% of Medicaid spending is fraud. Alaska Medicaid fraud efforts are recovering less than 1%, though the 1% recovered does not reflect savings from deterrence. *OK*

Fraud & Abuse Findings

- **Draft Findings From March & June 2014 Commission Meeting**

3. Active Collaboration between the Alaska Department of Law, the Alaska Department of Health & Social Services, The U.S. HHS Office of Inspector General, and the U.S. Immigration & Naturalization Service is demonstrating results. Since October 2012 when the two State agencies ramped-up collaborative efforts to address Medicaid fraud:
 - Prosecutors have presented charges in 93 criminal cases resulting in 62 convictions and saving a total of \$12 million for the State of Alaska
 - The Department of Law Medicaid Fraud Control Unit has provided the Department of Health & Social Services Medicaid Integrity Program with information to suspend 7 agencies
 - One large case involved investigating 53 individuals, with 35 convictions and \$743,000 in savings
 - The majority of cases have been home health or personal care attendant providers
 - Another large case currently pending involves a single physician accused of fraudulently billing more than \$1 million over the course of four years. *OK*
4. The Medicaid Fraud Control program currently has a backlog of cases that could be alleviated with additional staff support. *Need more info on number of months and cases backlogged; Potential rate of return.*
5. The State is sometimes unable to recover public funds lost through fraud. Requiring bonding and/or strengthening state seizure law could increase the State's ability to recover funds found to be paid for fraudulent claims. *What do other states do to improve recovery of funds paid for fraudulent claims?*

Fraud & Abuse Findings

- **Draft Findings From March & June 2014 Commission Meeting**

6. The new Medicaid Recovery Audit Contractor (RAC) Audit program required by CMS under the Affordable Care Act is not working in Alaska. Alaska's Medicaid RAC contractor recently terminated their contract because they were not able to generate income in our state due to the RAC audit DRG payment focus inability to align with Alaska's fee-for-service payment structures. *OK*
7. The new provider enrollment system included in Alaska's new MMIS, once operational, will help improve the ability to streamline and facilitate the audit process, both adding power to the ability to identify fraud and relieving providers of some of the audit burden. *OK*

Fraud & Abuse Findings

- **Draft Findings From March & June 2014 Commission Meeting**

8. State audits performed by Myers & Stauffer under AS 7.05.200 do not generally identify criminal activity, but one recently identified fraud case will result in \$1 million savings for the State, so this program is beneficial. *OK*
9. Fraudulent providers are exploiting vulnerabilities in the system.
 - Recipients have no financial incentives to provide a check on potential fraudulent practice by their providers, and also do not receive an Explanation of Benefits statement as a patient on private insurance does and so cannot verify services billed on their behalf.
 - Lack of enrollment of some rendering provider types creates avenues for fraudulent providers caught under one provider type to continue billing for services under another provider type. *OK*

Fraud & Abuse Findings

- **Draft Findings From March & June 2014 Commission Meeting**

10. Statutory barriers established in the state law that created Alaska's prescription drug database prevent the Department of Law and the Department of Health & Social Services from accessing the data and using it to identify potentially fraudulent or abusive prescribing practices. *Strengthen — provide more background info. Also add fraudulent users (not just providers).*
- ~~11. In behavioral health world — the process of billing for behavioral health is questionable — Two issues: Transparency, and clarity of the process~~
 - ~~• Current fraud programs aren't prosecuting much in the behavioral health sector because of lack of clarity regarding diagnosis and payment standards — is there something we can do to help in this area?~~
 - ~~• Could the Commissioner and the Alaska Mental Health Trust Authority explain to the commission how grant financing and Medicaid financing of behavioral health services work and inter-relate? Eligibility and categories of eligibility? We need DHSS to explain how they categorize and conduct grant reviews and how does fraud investigation work currently?~~ *Delete — Not necessary — Commissioner Streur is working on this issue.*

Fraud & Abuse Recommendations

- **Draft Recommendations From March & June 2014 Commission Meeting**

1. The Alaska Health Care Commission recommends the Commissioner of the Department of Health & Social Services increase efforts to address fraud in the Medicaid program and streamline audit processes for providers by:
 - a) Establishing regulations to enroll all rendering provider types as Medicaid providers.
 - b) Repurposing discretionary audits performed by Myers & Stauffer under AS 7.05.200 to target provider types that pose the greatest risk of overpayment, and to relieve providers who demonstrate compliance.
 - c) Implementing procedures to reduce the cycle time from audit notification to providers through final report issuance, and to improve communication with providers so that they have on-line access to information on the status of audits and investigations.
 - d) Providing Explanation of Benefits statements to Medicaid recipients, with education about their obligation to notify the department in the event of a statement of payment for services they did not receive.
 - e) Requesting a waiver from CMS from the Medicaid Recovery Audit Contractor program requirement established under the Affordable Care Act. *OK*
2. The Alaska Health Care Commission recommends the Commissioner of the Department of Health & Social Services and the State Attorney General continue to strengthen collaboration between the Medicaid Fraud Control Unit, the Medicaid Integrity Program, DHSS Medicaid operating divisions, and federal fraud investigation and control programs. *OK*

Fraud & Abuse Recommendations

- **Draft Recommendations From March & June 2014 Commission Meeting**
- 3. The Alaska Health Care Commission recommends the legislature fund and the Governor support expanded capacity in the Department of Law Medicaid Fraud Control Unit to investigate and prosecute criminal fraud cases. *Does DHSS also need additional capacity? Get more info.*
- 4. The Alaska Health Care Commission recommends the legislature:
 - a) Require bonding for Medicaid providers and strengthen state seizure/forfeiture laws to increase recovery of Medicaid funds lost to fraud. *Ask Andrew what a bonding requirement schedule should look like. Assume that this requirement would be specific to home health providers, not to clinics and hospitals that are not likely to go out of business based on one conviction – exempt clinics and hospitals from this requirement.*
 - b) Remove statutory barriers to Department of Health & Social Services and Department of Law access to and use of the Prescription Drug Database for fraud identification and statewide drug abuse prevention efforts.
 - c) Create a more robust prescription drug control program by ensuring financial support to continue the program, and supporting upgrade of the database to real-time functionality to identify and prevent doctor-shopping practices.

Fraud & Abuse Recommendations

- **Draft Recommendations From March & June 2014 Commission Meeting**

5. The Alaska Health Care Commission recommends the Commissioner of the Department of Health & Social Services continue efforts to increase medical management to address waste in the Medicaid program, such as through:
 - a) Expansion of prior authorization requirements for medical necessity, *and establishment of user-friendly and efficient prior authorization processes for providers.*
 - b) Establishing pre-payment review for providers who have billed for services inappropriately in the past, and providing education and 1-on-1 intervention to assist providers with learning proper billing practices.
 - c) Streamlining Service Utilization Review procedures to target information gathering to outlying procedures and discontinue burdensome practice of requiring all patient data when an outlying procedure is identified.
 - d) Piloting the “SuperUtilizers” program to address overutilization of emergency room services.
 - e) Tightening review of Medicaid travel.
 - f) Investigating beneficiaries who pay cash for prescriptions. *Add explanation.*
 - g) Pilot testing electronic verification of Personal Care Assistant services.

Rural Sanitation Update

Presentation by

Thomas Hennessy, MD, MPH

Director, Arctic Investigations Program, U.S., Centers for Disease Control & Prevention

Bill Griffith

Facility Programs Manager, Alaska Department of Environmental Conservation

Mike Black

Director, Program Development, Division of Environmental Health & Engineering, Alaska Native Tribal Health Consortium

Public Testimony

Briefing on Alaska's VA & DoD Health Systems & Services

Presentation by

Susan Yeager

Director, Alaska VA Healthcare System

Col. Teresa Bisnett, MD

Commander, DoD-VA Joint Venture Hospital, JBER; and Alaskans Command Surgeon

Day 2: August 15

Recap Discussion

Take-Aways from Yesterday's Sessions

Take-Aways from Yesterday

- Impressed with DOD/VA facilities. Shortage of TBI program in private sector is a problem.
- Concur (also impressed). They've worked out some of the more difficult details of telemedicine – if you have another clinically trained person in the room with the patient it's a valid examination.
- Importance of sanitation for health – but the challenge is the daunting task associated with the cost of developing and maintaining the systems. Need innovative solutions.
- Impressed with TBI clinic – alternative modalities in use are important and impressive.
- The numbers of people the facilities handle in a year impressive – blown away by total numbers of Alaskans who use those facilities.

Take-Aways from Yesterday

- Impressed by innovation of primary care telemedicine, but reason for it is lack of primary care workforce in Alaska. There is capacity. VA salaries are competitive – enough to attract people. Why is it so hard to recruit/retain primary care docs?
- Demand is going up for primary care docs. New physicians have a lot of debt to pay back, so salary/compensation is important.
- What is the long term salary/benefit package and workload for VA?
- The VA has a lot of services – and the staff were very enthusiastic – but they were only one deep in most departments in both DOD and VA, so turnover leaves shortage/capacity issues.
- It was clear there was a lot of innovation.
- Passion of the staff was surprising and impressive. Very clearly engaged. Refreshing and encouraging.

Take-Aways from Yesterday

- Research showed a definitive link between availability of water and sanitation and health/epidemiologic problems.

Behavioral Health System Update

Presentation by

Albert Wall

Director, Division of Behavioral Health, Alaska Department of Health & Social Services

Kate Burkhardt

Executive Director, Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse, and Suicide Prevention Council

Thomas Chard

Executive Director, Alaska Behavioral Health Association

Xiomara Owens

Program Manager, Behavioral Health Aide Program, Alaska Native Tribal Health Consortium

Discussion of Current Policy

Recommendation Facilitation Activities

1. APCD Legislative Elements Policy Paper: Planned to review with stakeholders if we had gone forward with Transparency Stakeholders Session. Now will just include in written public comment period.
2. Alaska HR Leadership Network request for description of policy recommendations that require legislation to implement: See letter to Leadership Network from Ward behind Tab 2 in meeting notebooks. Jim noted he'd read it already and found it very pertinent and helpful from his perspective as an employer.
3. Medicaid Reform Advisory Group: Deb working on written testimony to describe potential alignment with Commission recommendations
1. State Agency Action Plan for Implementing Commission Recommendations: Framework presented in 2013 Annual Report will be finalized in CY 2015.

Health & Health Care in Alaska 2014

1. Initiative Update
2. October 1 “Alaska Health Historians/Health Policy Elders” Event

Health & Health Care in Alaska 2014

- **Initiative Timeline:**

- September 30, 2014: Final Supporting Reports Delivered
- [October 1, 2014: Alaska Health Historians Event](#)
- November, 2014: Draft Report Circulated for Public Comment
- January 15, 2015: Public Release of Final Report

- **Bibliography for the project:**

I. [Parran Report — 1954](#)

II. [State Health Plan for Alaska — 1984](#)

III. [Alaska Health Status Assessment — 2014 \[Healthy Alaskans 2020\]](#)

IV. [Healthy Alaskans 2020 25 Leading Health Indicators — 2013 \[Healthy Alaskans 2020\]](#)

V. [Healthy Alaskans 2020 71 Potential Leading Health Indicators — 2013](#)

VI. Alaska Health Care Delivery & Financing Description — 2014 [DHSS]

VII. Alaska Public Health System Assessment — 2014 [Healthy Alaskans 2020]

VIII. Alaska Demographic Trends & Projections 1950 to 2040 — 2014 [DOL&WD]

Affordable Care Act & Medicaid Reform Advisory Group Update

ACA Update: Insurance Market & HIX

- Alaska
 - Federal Exchange
 - 2015 Rate Filings for Federal Exchange participation in Alaska are due to the Division of Insurance June 30.
 - Rate filing approvals are due from the Alaska Division of Insurance to the federal government July 31.
 - Division of Insurance is not allowed to release the rates until January 1, 2015, but carriers and/or the federal government may.
 - SHOP: Alaska Employee Choice Waiver approved by feds for 2015 (AK one of 18 States)
 - Federal rule changes are keeping Alaska Division of Insurance staff hopping
- 10 other states have released their 2015 HIX rate filings, of those 0 carriers are dropping out, and a total 27 new carriers are entering the markets. Rates (not yet approved) in some cases are increasing by double-digits, and some are going down.

ACA Update – Medicaid

- State Medicaid expansion decisions, as of August 7, 2014:
 - 26 States (+ WA DC) **implementing expansion** in 2014
 - 4 of the 26 have approved waivers for alternative expansion plans
 - Arkansas, Iowa, Michigan and New Hampshire
 - 22 States (*including Alaska*) do not plan to expand at this time
 - CMS issued guidance to States in December 2012 clarifying that there is no deadline by which a State must make a decision regarding Medicaid expansion.
 - WI amended an existing waiver to cover adults up to 100% FPL, but did not adopt expansion.
 - 2 States in open debate: Indiana, Pennsylvania
 - Indiana and Pennsylvania have pending waivers for alternative Medicaid expansion plans.

Alaska Medicaid Reform Advisory Group Status Report

- Medicaid Innovations Options List presented at last meeting July 30 by DHSS Staff
 - MRAG dividing list into “efficiencies” and “reforms”
 - DHSS staff are now preparing more background information
- August Meeting: CANCELLED
- Next Meeting: September 17
 - Deb preparing written and oral testimony on potential Medicaid innovations that would align with current Health Care Commission recommendations.

Public Communication Plan

- Current:
 - Website updated regularly
 - Periodic e-mail updates to Listserv: Over 1300 subscribers
 - Meetings public noticed and published in Anchorage, Fairbanks and Juneau newspapers at least 3 weeks in advance.
- In Development:
 - Social media plan
 - Outreach to news media
 - Exhibits/Posters/Banners for conferences
- Additional Suggestions:
 - Develop informational videos for posting on YouTube

Meeting Evaluation

- Likes:
 - Site visit/tours went well – very revealing.
 - The behavioral health presentation today was very good.
 - Tours are beneficial when they are relevant to the topic.
 - Tight agenda that was very topical.
- Wishes for next time:
 - *No new requests*



2014 Meeting Schedule

- Friday, March 21 – Saturday, March 22
- Thursday, June 19 – Friday, June 20
- Thursday, August 14 – Friday, August 15
- *Wednesday, October 1: Alaska Health Historians/Health Policy Elders Event*
- Thursday, October 2 – Friday, October 3
- *November: Public Comment on Draft Findings & Recommendations*
- *Tuesday, December 9: One day meeting to finalize 2014 Findings & Recommendations*